



MINUTES

FOR THE

ORDINARY COUNCIL MEETING

HELD ON

TUESDAY 26 MARCH, 2019



## DISCLAIMER

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Any person or legal entity who acts or fails to act in reliance upon any statement, act or omission made in a Council Meeting does so at that person's or legal entity's own risk.

The Shire of Irwin warns that anyone who has any application or request with the Shire of Irwin must obtain and should rely on WRITTEN CONFIRMATION of the outcome of the application or request of the decision made by the Shire of Irwin.



Shane Ivers  
**CHIEF EXECUTIVE OFFICER (Acting)**



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I certify that this copy of the Minutes is a true and correct record of the meeting held on  
26 March 2019

Signed: .....  
Presiding Elected Member

Date:.....



## MINUTES OF THE ORDINARY COUNCIL MEETING held in the Council Chambers on Tuesday 26 March 2019 at 6.00pm

### Members Present

Councillor M T Smith  
Councillor B Wyse  
Councillor S F Gumley  
Councillor M Leonard  
Councillor I Scott  
Councillor K L Wilson

President  
Deputy President

### Staff Present

Mr S D Ivers  
Mr B Jeans  
Mrs D K Chandler  
Mrs S Taylor

Chief Executive Officer (Acting)  
Manager Regulatory Services  
Governance & Executive Coordinator  
Community Officer

### Apologies

Councillor A J Gillam

### Approved Leave of Absence

Councillor I F West

### Gallery

Mr Geoff Vivian (Geraldton Newspapers), Mr J Arden, Mr D Higgins, Ms L Butler

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### 1. DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

The Shire President welcomed Councillors, Staff and Guests and opened the meeting at 6.00pm.

### 2. RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE

As noted above.

### 3. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Mr Rossiter: How was the perceived cost of \$65,000 calculated by Council?

Response: Mr Rossiter has been provided with the breakdown of costs relating to the Batavia Health subsidy.

#### 4. PUBLIC QUESTION TIME

The following questions were received by Mr Petrera via email 5 March 2019:

- Who approved the Medical Centre subsidy arrangement at such a significant cost to ratepayers?

Response: Over the course of several Council Meetings, the Council at the time approved the deal with the Dongara Medical Centre, based on the financial information presented.

- Who is responsible for water usage costs at the Racecourse?

Response: The Dongara Irwin Race Club use the onsite bore for watering the race track, at no cost to the Shire of Irwin.

#### 5. APPLICATIONS FOR LEAVE OF ABSENCE

Nil.

#### 6. PETITIONS AND DEPUTATIONS

Nil.

#### 7. CONFIRMATION OF MINUTES

##### 7.1. MINUTES OF THE ORDINARY COUNCIL MEETING HELD ON 26 FEBRUARY 2019

A copy of the Minutes of the Ordinary Council Meeting held on 26 February 2019 have been provided to all Councillors under separate cover.

**COUNCIL DECISION 010319:****MOVED: Cr Leonard****SECONDED: Cr Wyse**

**That the Minutes of the Ordinary Council Meeting, held on 26 February 2019, be confirmed as a true and accurate recording of that meeting.**

**VOTING DETAILS:****CARRIED 6/0**

*The Shire President advised Council that he received a call from Cr Gillam as he was running late.*

## **8. ANNOUNCEMENTS BY THE PERSON PRESIDING WITHOUT DISCUSSION**

### **Functions and Events**

- 11 March            The Shire President and the Acting CEO attended the Port Denison Maritime Advisory Group Meeting. The Shire President advised Council that the topics of discussion were mainly based around seabed leases and pen site costings.
- 12 March            The Shire President and the Acting CEO met with Dr Quirke of Batavia Health.
- 15 March            The Shire President and the Acting CEO met with Caroline Weinman from the Dongara Community Resource Centre and discussed a new focus on the Shire working closer with the Community Resource Centre and effective communication to ensure there are no overlaps in service delivery.
- 17 March            The Deputy Shire President attended the Dongara Golf Club Opening Day and made presentations on behalf of the Shire of Irwin.

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**9. REPORTS**  
**9.1. Officer Reports**

**CORPORATE AND COMMUNITY**

**CC01 – 03/19**

**Subject:** Accounts for Payment  
**Author:** S Clarkson, Finance Officer  
**Reporting Officer:** S Ivers, Acting Chief Executive Officer  
**File Reference:** Minute Book  
**Voting Requirements:** Simple Majority

**Council Role:**

- Advocacy** When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
- Executive** The substantial direction setting and oversight role of the Council e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.
- Legislative** Includes adopting local laws, local planning schemes and policies.
- Review** When Council reviews decisions made by Officers.
- Quasi-judicial** When Council determines an application/matter that directly affects a person's rights and interests. The judicial character arises from the obligation to abide by the principles of natural justice e.g. local planning applications, building licences, other permits/licences (e.g. under Health Act, Dog Act or local laws) and other decisions that may be appealable to the State Administrative Tribunal (SAT).

**Report Purpose:**

To receive the list of accounts paid under delegated authority during February 2019.

**OFFICER'S RECOMMENDATION AND COUNCIL DECISION 020319:**

**MOVED: Cr Scott**

**SECONDED: Cr Gumley**

**That Council receives the Accounts paid during February 2019 as presented in Attachment Booklet – March 2019, represented by:**

<b>Payment Type/Numbers</b>	<b>Total Amount</b>
<b>EFT 23893 – 24034</b>	<b>\$388,930.61</b>
<b>Muni Cheques - 31880 – 31889</b>	<b>\$32,311.35</b>
<b>Direct Debit – Solar Panel Repayments 02/19</b>	<b>\$1,947.66</b>
<b>Direct Debit – Credit Card</b>	<b>\$461.65</b>
<b>Direct Debit – Superannuation</b>	<b>\$31,426.91</b>
<b>Direct Debit - Transport – PL300119 – PL260219</b>	<b>\$72,047.95</b>
<b>Grand Total</b>	<b>\$527,126.13</b>

**VOTING DETAILS:**

**CARRIED 6/0**

**Attachment:**

Accounts for Payment – February 2019

**Background:**

A list of accounts paid under delegated authority is attached showing all payments made during the month of February 2019.

**Officer's Comment:**

Nil

**Stakeholder Engagement:**

Nil

**Financial / Resource Implications:**

Nil

**Statutory Environment:**

*The Local Government (Financial Management) Regulations 1996 provides as follows:*

13. *Payments from municipal fund or trust fund by CEO, CEO's duties as to etc.*
  - (1) *If the local government has delegated to the CEO the exercise of its power to make payments from the municipal fund or the trust fund, a list of accounts paid by the CEO is to be prepared each month showing for each account paid since the last such list was prepared —*
    - (a) *the payee's name;*
    - (b) *the amount of the payment;*
    - (c) *the date of the payment; and*
    - (d) *sufficient information to identify the transaction.*
  - (3) *A list prepared under sub-regulation (1) or (2) is to be —*
    - (a) *presented to the council at the next ordinary meeting of the council after the list is prepared; and*
    - (b) *recorded in the minutes of that meeting.*

**Policy Implications:**

Under Delegation CEO3 Council has delegated authority to the Chief Executive Officer to authorise all payments by Council.

**Strategic Implications:**

Strategic Community Plan 2017 - 2027

Strategy 4.2.1 Ensure compliance whilst embracing innovation and better practice principles

Strategy 4.3.3 Adopt and follow better practice processes



**CORPORATE AND COMMUNITY**

**CC02 – 02/19**

**Subject:** Financial Statements for the Period ending 28 February 2019  
**Author:** Jim Dillon, Consultant  
**Responsible Officer:** S Ivers, Acting Chief Executive Officer  
**File Reference:** Minute Book  
**Voting Requirements:** Simple Majority

**Council Role:**

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**Report Purpose:**

To consider and receive the Monthly Financial Statements for the period 1 July 2018 to 28 February 2019.

**OFFICER'S RECOMMENDATION AND COUNCIL DECISION 030319:**

**MOVED: Cr Leonard**

**SECONDED: Cr Gumley**

**That the Monthly Financial Statement for the period 1 July 2018 to 28 February 2019 be received, as provided in Attachment Booklet – March 2019.**

**VOTING DETAILS:**

**CARRIED 6/0**

**Attachment:**

Financial Statements for the Period Ending 28 February 2019.

**Background:**

The Monthly Financial Report to the 28 February 2019 is prepared in accordance with the requirements of the Local Government Act and the Local Government (Financial Management) Regulations and includes the following:

- Summary Information and Graphs
- Statement of Financial Activity by Program
- Statement of Financial Activity by Nature & Type
- Statement of Cash Flows
- Statement of Capital Acquisitions and Capital Funding
- Significant Accounting Policies
- Explanation of Material Variances

- Net Current Funding Position
- Cash and Investments
- Budget Amendments
- Receivables
- Cash Backed Reserves
- Capital Disposals
- Rating Information
- Information on Borrowings
- Grants and Contributions
- Trust Fund
- Detailed of Capital Acquisitions

**Officer’s Comment:**

The financial position to the end of February 2019 is detailed in the attached report and summarised as follows relative to year to date budget expectations:

Operating Revenue	\$7,399,770	2.0% positive variance
Operating Expenditure	\$6,457,088	6.7% negative variance
Net Operating	\$942,682	
Capital Revenue	\$1,208,840	57.0% negative variance
Capital Expenditure	\$1,816,511	65.3% positive variance
Cash at Bank – Municipal	\$1,557,170	
Cash at Bank – Reserve	\$1,660,289	
Total Funds Invested	\$3,217,459	
Net Rates Collected	82.86%	
Rates Receivables Outstanding	\$933,202	
Non Rates Receivables Outstanding	\$95,997	

The attached report provides explanatory notes for items greater than 10% or \$10,000. This commentary provides Council with an overall understanding of how the financial position is situated in relation to the adopted budget.

**Stakeholder Engagement:**

Nil.

**Financial / Resource Implications:**

Any issues in relation to expenditure and revenue allocations or variance trends are identified and addressed each month.

**Statutory Environment:**

Local Government Act 1995 - Section 6.4

The Local Government (Financial Management) Regulations provides as follows:

*Section 34 Financial activity statement report*

- (1) *A local government is to prepare each month a statement of financial activity reporting on the sources and applications of funds, as set out in the annual budget under regulation 22(1)(d), for that month in the following detail -*
  - (a) *annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1)(b) or (c);*
  - (b) *budget estimates to the end of the month to which the statement relates;*
  - (c) *actual amounts of expenditure, revenue and income to the end of the month to which the statement relates;*

- (d) *material variances between the comparable amounts referred to in paragraphs (b) and (c); and*
  - (e) *the net current assets at the end of the month to which the statement relates.*
- (2) *Each statement of financial activity is to be accompanied by documents containing -*
  - (a) *an explanation of the composition of the net current assets of the month to which the statement relates, less committed assets and restricted assets;*
  - (b) *an explanation of each of the material variances referred to in sub-regulation (1)(d); and*
  - (c) *such other supporting information as is considered relevant by the local government.*
- (3) *The information in a statement of financial activity may be shown -*
  - (a) *according to nature and type classification;*
  - (b) *by program; or*
  - (c) *by business unit.*
- (4) *A statement of financial activity, and the accompanying documents referred to in sub-regulation (2), are to be -*
  - (a) *presented to the council -*
    - (i) *at the next ordinary meeting of the council following the end of the month to which the statement relates; or*
    - (ii) *if the statement is not prepared in time to present it to the meeting referred to in subparagraph (i), to the next ordinary meeting of the council after that meeting; and*
  - (b) *recorded in the minutes of the meeting at which it is presented.*

**Policy Implications:**

Nil.

**Strategic Implications:**

Strategic Community Plan 2017 - 2027

Strategy 4.2.1 Ensure compliance whilst embracing innovation and better practice principles

Strategy 4.3.3 Adopt and follow better practice processes

**REGULATORY SERVICES**

**RS01 – 03/19**

**Subject:** Amendments to Local Planning Policy – Sea Containers  
**Author:** M Sullivan, Senior Planning Officer  
**Responsible Officer:** B Jeans, Manager Regulatory Services  
**File Reference:** LP.PO  
**Voting Requirements:** Simple Majority

**Council Role:**

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**Report Purpose:**

For Council to consider public advertisement of amendments to the existing *Local Planning Policy – Sea Containers*.

*The Shire President handed this item over to the Acting Chief Executive Officer as new information was required to be presented in order for Council to make an informed decision.*

*The Acting Chief Executive Officer withdrew the Officer's Recommendation and put forward a new recommendation to Council.*

**OFFICER'S RECOMMENDATION (Withdrawn):**

**That Council, pursuant to Part 2, Clause 5 of the Deemed Provisions of the *Planning and Development (Local Planning Schemes) Regulations 2015*, resolves to publicly advertise the amendments to the 'Local Planning Policy for Sea Containers,' as set out in Attachment 2, for a period of not less than 21 days.**

**CEO'S RECOMMENDATION AND COUNCIL DECISION 040319:**

**MOVED: Cr Wyse**

**SECONDED: Cr Scott**

**That Council hold over item RS01-03/19 until the next Ordinary Council Meeting on 30 April 2019, due to new relevant information coming to light that will need to be prepared and presented to Council in order to make an informed decision.**

**VOTING DETAILS:**

**CARRIED 6/0**

**Attachments:**

RS01 – Attachment 1 – Existing Local Planning Policy

RS01 – Attachment 2 – Draft Amended Local Planning Policy

**Background:**

The Shire first adopted a Local Planning Policy for Sea Containers ('the LPP') in May 2016. The intention of the LPP is to provide guidance to officers on assessing Development Applications for sea containers, and to ensure that the containers do not detrimentally impact on the amenity of neighbouring properties.

Officers have noticed some issues arising in the implementation of the LPP which have warranted a review, and an amended policy is presented for Council's consideration. It is noted that the proposed changes to the policy will not be applied retrospectively to shipping containers that are currently approved.

**Officer's Comment:**

The major proposed changes to the LPP are summarised as follows:

Change	Rationale
<ul style="list-style-type: none"> <li>Amend the terminology used in the LPP from 'sea container' to 'shipping container.'</li> </ul>	<p>This is consistent with the terminology commonly used in other local governments.</p>
<ul style="list-style-type: none"> <li>Clarify that a shipping container modified for the purpose of human habitation (i.e. a 'shipping container house') is not covered by this policy and will be assessed under the Local Planning Scheme as a dwelling.</li> </ul>	<p>The current LPP does not enable these forms of development to be considered.</p>
<ul style="list-style-type: none"> <li>Allow shipping containers to be located on a site for up to 14 days without approval, when associated with the temporary loading and unloading of goods.</li> </ul>	<p>The current LPP is silent on this matter and it can be assumed that Development Approval would be required for limited temporary use, which is not considered necessary.</p>
<ul style="list-style-type: none"> <li>Allow shipping containers to be located on a site without approval if they are fully enclosed within an approved outbuilding.</li> </ul>	<p>A shipping container located in an approved outbuilding will have no impact on amenity and local government consideration is not necessary in these cases.</p>
<ul style="list-style-type: none"> <li>Allow shipping containers to be located on 'General Farming' lots over 20ha in size without Development Approval, if the container meets all relevant Local Planning Scheme requirements and is not visible from any public place or road.</li> </ul>	<p>Reduces 'red tape' for development on large lots that will have no impact on amenity.</p>
<ul style="list-style-type: none"> <li>Clarifies that shipping containers are not permitted on lots zoned 'Residential' and 'Special Residential,' except on a temporary basis of 14 days or less.</li> </ul>	<p>The intention of the current LPP was to restrict shipping containers in the 'Residential' zone to a two-year period whilst constructing a dwelling, however the wording does not make clear that they are not allowed on a residential property on a permanent basis. In practice, there has been difficulty enforcing the removal of sea containers at the end of the 2 year period, particularly in circumstances where a dwelling has been started, but not completed, within this time.</p> <p>Additionally, in recent months the Shire has received a number of enquiries about installing shipping containers permanently on developed residential lots as an alternative to a shed. This</p>

	<p>is not supported by officers due to the potential amenity impacts and it considered necessary to explicitly state in the LPP that such development will not be permitted.</p>
<ul style="list-style-type: none"> <li>Sets standards for the maximum number of shipping containers on lots in the 'Rural Residential,' 'Rural Smallholdings,' 'Light Industry' 'Marine Industry,' 'Service Commercial' and 'Neighbourhood Centre' zones.</li> </ul>	<p>The current LPP is silent on this which makes it difficult to limit the number of containers. Within the 'Light Industry' and 'Marine Industry' zones, the draft LPP notes that the maximum numbers may be varied if the shipping container is an operational part of an approved land use.</p>
<ul style="list-style-type: none"> <li>Allows shipping containers to be located on Local Reserves at the discretion of the Shire, as long as the use of the container relates to, and is ancillary to, the ultimate purpose of the reserve and all provisions of the LPP relating to preservation of amenity are met.</li> </ul>	<p>The current LPP prohibits shipping containers in all public places, however in some cases it may be appropriate to locate a shipping container on a reserve. It is noted that containers will continue to be prohibited in road reserves and on road verges.</p>

**Stakeholder Engagement:**

Public advertising will consist of a notice in the *Midwest Times*, the *Dongara Denison Local Rag*, on the Shire website and in the Administration Office. Officers also intend to compile a short fact sheet summarising the major changes to display on the Shire website and in the Administration Office. Advertising will be conducted for a minimum of 21 days in accordance with Clause 4(2) of the Part 2 of the Deemed Provisions of the *Planning and Development (Local Planning Schemes) Regulations 2015*.

At the conclusion of the submission period any submissions will be presented to Council for consideration.

**Financial/Resource Implications:**

Nil

**Statutory Environment:**

**Planning and Development (Local Planning Schemes) Regulations 2015 – Deemed Provisions**

**4. Procedure for making local planning policy**

- (1) *If the local government resolves to prepare a local planning policy the local government must, unless the Commission otherwise agrees, advertise the proposed policy as follows —*
- (a) *publish a notice of the proposed policy in a newspaper circulating in the Scheme area, giving details of —*
- (i) *the subject and nature of the proposed policy; and*
  - (ii) *the objectives of the proposed policy; and*
  - (iii) *where the proposed policy may be inspected; and*
  - (iv) *to whom, in what form and during what period submissions in relation to the proposed policy may be made;*

- (b) *if, in the opinion of the local government, the policy is inconsistent with any State planning policy, give notice of the proposed policy to the Commission;*
  - (c) *give notice of the proposed policy in any other way and carry out any other consultation the local government considers appropriate.*
- (2) *The period for making submissions in relation to a local planning policy must not be less than a period of 21 days commencing on the day on which the notice of the policy is published under subclause (1)(a).*
- (3) *After the expiry of the period within which submissions may be made, the local government must —*
  - (a) *review the proposed policy in the light of any submissions made; and*
  - (b) *resolve to —*
    - (i) *proceed with the policy without modification; or*
    - (ii) *proceed with the policy with modification; or*
    - (iii) *not to proceed with the policy.*
- (4) *If the local government resolves to proceed with the policy, the local government must publish notice of the policy in a newspaper circulating in the Scheme area.*
- (5) *A policy has effect on publication of a notice under subclause (4).*
- (6) *The local government —*
  - (a) *must ensure that an up-to-date copy of each local planning policy made under this Scheme is kept and made available for public inspection during business hours at the offices of the local government; and*
  - (b) *may publish a copy of each of those local planning policies on the website of the local government.*

#### **5. Procedure for amending local planning policy**

- (1) *Clause 4, with any necessary changes, applies to the amendment to a local planning policy.*
- (2) *Despite subclause (1), the local government may make an amendment to a local planning policy without advertising the amendment if, in the opinion of the local government, the amendment is a minor amendment.*

#### **Policy Implications:**

Once formally adopted by Council, the amended LPP will supersede the current LPP.

#### **Strategic Implications:**

Strategic Community Plan 2017 - 2027

Strategy 1.1.1 Continually improve approval processes

Strategy 4.2.1 Ensure compliance whilst embracing innovation and better practice principles

**OFFICE OF THE CEO**

**CEO01 – 03/19**

**Subject:** Budget Review 2018/19  
**Author:** J Dillon Midwest Financial  
**Responsible Officer:** S Ivers Acting Chief Executive Officer  
**File Reference:** FM.BU.18.19  
**Voting Requirements:** Absolute Majority

**Council Role:**

- Advocacy** When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
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**Report Purpose:**

To consider and adopt the Budget Review for the 2018/19 financial year as presented in the Statement of Financial Activity for the period 1 July 2018 to 28 February 2019.

*Prior to the meeting, the Officer altered the line item (\*), breaking down the original \$75,000 transfer from Asset Management Reserve to \$50,000 for Surf Beach sand replenishment and \$25,000 for Grannies Beach wall. There was no change made to the original value nor to the budgeted surplus.*

<b>OFFICER'S RECOMMENDATION AND COUNCIL DECISION 050319:</b>	
<b>MOVED: Cr Gumley</b>	<b>SECONDED: Cr Wyse</b>
<p>That Council, by Absolute Majority and in accordance with Local Government (Financial Management) Regulation 33A and the Local Government Act 1995, adopt the 2018/19 Budget Review, as presented in Attachment Booklet – March 2019, for the period 1 July 2018 to 28 February 2019, generating a budget surplus of \$29,064 after making the following budget amendments:</p>	
<b>-\$28,000</b>	<b>Reduction in rental income due to vacant properties</b>
<b>-\$12,000</b>	<b>Reduced income for management charges for commercial waste</b>
<b>\$13,030</b>	<b>Increase in recycling income</b>
<b>\$29,000</b>	<b>Additional direct road grant</b>
<b>\$40,000</b>	<b>Additional Bushfire Risk Management Planning Program grant funding to 30 June 2019</b>
<b>-\$273,000</b>	<b>Reallocate from operating expenditure 'Salaries &amp; Wages' to a separate item 'Administration Salaries', to reduce impact on ABC allocations by redundancy payouts</b>
<b>\$237,000</b>	<b>Reduction in salaries and wages due to organisational restructure</b>



<b>-\$25,000</b>	<b>Additional expenditure for the Chief Executive Officer recruitment process</b>
<b>-\$5,000</b>	<b>Additional expenditure for the recruitment of plant operators</b>
<b>-\$3,700</b>	<b>Increase in water charges on vacant property</b>
<b>\$15,100</b>	<b>Decrease in expenditure on maintenance of the Admin building</b>
<b>-\$31,700</b>	<b>Increase in expenditure on Rec &amp; Culture building maintenance</b>
<b>-\$12,200</b>	<b>Increase in expenditure on Transport building maintenance</b>
<b>-\$30,000</b>	<b>Increase in expenditure on materials &amp; contracts in Parks &amp; Gardens</b>
<b>-\$60,000</b>	<b>Increased expenditure on consultants in administration</b>
<b>\$5,700</b>	<b>Alter Rec Centre expenditure from operating to capital</b>
<b>-\$50,000</b>	<b>Increased costs relating to fuels &amp; oils</b>
<b>-\$70,000</b>	<b>Increased costs relating to parts &amp; repairs</b>
<b>-\$16,000</b>	<b>Increased costs relating to domestic refuse</b>
<b>-\$48,000</b>	<b>Increased costs relating to management of Transfer Station</b>
<b>-\$22,000</b>	<b>Increased expenditure on Transfer Station maintenance</b>
<b>-\$25,000</b>	<b>Increased costs relating to commercial waste collection</b>
<b>-\$7,000</b>	<b>Increased costs relating to community waste collection</b>
<b>-\$99,000</b>	<b>Increased expenditure on road maintenance</b>
<b>-\$25,000</b>	<b>Increased expenditure on Grannies Beach retaining wall</b>
<b>-\$30,000</b>	<b>Increased expenditure on playground sand replacement</b>
<b>-\$50,000</b>	<b>Increased expenditure on Surf Beach sand replenishment</b>
<b>-\$100,000</b>	<b>Foreshore redevelopment consultancy costs</b>
<b>-\$25,000</b>	<b>Computer software accounting system support</b>
<b>-\$6,000</b>	<b>Governance &amp; executive office renovation</b>
<b>\$25,300</b>	<b>Reduction in interest charges due to the delayed draw down Loan 98 (transport equipment)</b>
<b>-\$14,000</b>	<b>Refund of incorrect waste charges</b>
<b>-\$10,000</b>	<b>Increased expenditure on Bowling Club building maintenance</b>
<b>-\$63,300</b>	<b>Reduced proceeds on sale of mini sweeper</b>
<b>\$100,000</b>	<b>Transfer from Foreshore Redevelopment Reserve for consultancy costs.</b>
<b>\$60,000</b>	<b>Transfer from Sanitation Reserve for capital landfill works.</b>
<b>\$260,000</b>	<b>Transfer from Asset Management Reserve to support regional road group works on Point Leander Drive</b>
<b>\$50,000</b>	<b>Transfer from Asset Management Reserve for sand replenishment Surf Beach</b>
<b>\$25,000</b>	<b>Transfer from Asset Management Reserve for Grannies Beach wall</b>
<b>\$79,814</b>	<b>Transfer from Leave Reserve for termination payouts</b>
<b>\$102,000</b>	<b>No requirement to purchase 3 vehicles due to organisational restructure</b>
<b>-\$5,700</b>	<b>Increase in expenditure on equipment for Irwin Rec Centre</b>
<b>\$22,000</b>	<b>Fire vehicle transferred to Shire of Dandaragan in accordance with BRPC contract</b>
<b>\$117,000</b>	<b>Reduced expenditure due to roads to recovery work done in-house instead of by contractors</b>
<b>-\$20,000</b>	<b>Additional roads to recovery expenditure to complete an intersection before Winter.</b>
<b>\$59,400</b>	<b>Reduced loan repayments due to delayed drawdown of Loan 98</b>
<b>-\$941,481</b>	<b>Delayed receipt of grant funding due to timing variations for Independent Living accommodation project</b>
<b>\$1,316,485</b>	<b>Less expenditure in 18/19 due to timing variations of Independent Living accommodation project</b>

\*

<b>-\$375,004</b>	<b>Transfer to Restricted Assets unspent Independent Living accommodation project grant funds in 2018/19</b>
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**VOTING DETAILS:**

**CARRIED BY ABSOLUTE MAJORITY 6/0**

**Attachment:**

Attachment 1 - Budget Review Report 2018/19

**Background:**

Regulation 33A of the Local Government (Financial Management) Regulations 1996 requires Council to conduct a review of its budget between 1 January and 31 March in each financial year. The Regulation requires that the results be submitted to Council to determine whether to adopt the review and recommendations made. Within 30 days of the review a copy of the review and determination is to be provided to the Department of Local Government, Sport and Cultural Industries.

**Officer's Comment:**

The budget review has been prepared to include information required by the *Local Government Act 1995*, *Local Government (Financial Management) Regulations 1996* and the Australian Accounting Standards. At the 28 August 2018 Ordinary Council Meeting, Council adopted a 10% or \$10,000 (whichever is greater) level for the reporting of material variances to be used in the statements of financial activity and the annual budget review.

The Budget Review report (Attachment 1) provides information by program and is based on the eight month period from 1 July 2018 to 28 February 2019. It reflects a view of the position of the Shire of Irwin – projected full year income and expenditure against full year original budget.

The projected actuals are based on the information provided for each program, with an estimated increase in Net Operating Profit of \$29,064 compared to the original budget.

The Budget Review report (Attachment 1) explains the identification of major expenditure and revenue, expectations of specific projects not proceeding, reduction in revenue or timing variances.

**Stakeholder Engagement:**

Responsible officers have predicted the balances on their activities.

**Financial/Resource Implications:**

The adoption of this budget review will forecast the budget with an estimated surplus of \$29,064. It is suggested that the estimated surplus be retained in the Municipal accounts to be brought forward into next financial year.

**Statutory Environment:**

Local Government Act 1995

Local Government (Financial Management) Regulations 1996

33A. *Review of budget*

- (1) *Between 1 January and 31 March in each financial year a local government is to carry out a review of its annual budget for that year.*
- (2A) *The review of an annual budget for a financial year must -*
  - (a) *consider the local government's financial performance in the period beginning on 1 July and ending no earlier than 31 December in that financial year; and*
  - (b) *consider the local government's financial position as at the date of the review; and*
  - (c) *review the outcomes for the end of that financial year that are forecast in the budget.*
- (2) *Within 30 days after a review of the annual budget of a local government is carried out it is to be submitted to the council.*

- (3) *A council is to consider a review submitted to it and is to determine\* whether or not to adopt the review, any parts of the review or any recommendations made in the review.*
- \*Absolute majority required.*
- (4) *Within 30 days after a council has made a determination, a copy of the review and determination is to be provided to the Department.*

Australian Accounting Standards

**Policy Implications:**

Nil.

**Strategic Implications:**

Strategic Community Plan 2017 - 2027

Strategy 4.2.1 Ensure compliance whilst embracing innovation and better practice principles

Strategy 4.3.3 Adopt and follow better practice processes

**OFFICE OF THE CEO**

**CEO02 – 03/19**

**Subject:** Long Term Financial Plan  
**Author:** S Ivers, Acting Chief Executive Officer  
**Responsible Officer:** S Ivers, Acting Chief Executive Officer  
**File Reference:** CM.PL.2  
**Voting Requirements:** Absolute Majority

**Council Role:**

- Advocacy** When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
- Executive** The substantial direction setting and oversight role of the Council e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.
- Legislative** Includes adopting local laws, local planning schemes and policies.
- Review** When Council reviews decisions made by Officers.
- Quasi-judicial** When Council determines an application/matter that directly affects a person's rights and interests. The judicial character arises from the obligation to abide by the principles of natural justice e.g. local planning applications, building permits, other permits/licences (e.g. under Health Act, Dog Act or local laws) and other decisions that may be appealable to the State Administrative Tribunal (SAT).

**Report Purpose:**

The purpose of this report is to seek Council's endorsement by adopting the Long Term Financial Plan 2018 – 2028 as an informing strategy under the Integrated Planning and Reporting Framework.

**OFFICER'S RECOMMENDATION AND COUNCIL DECISION 060319:**

**MOVED: Cr Leonard**

**SECONDED: Cr Scott**

**That Council, by Absolute Majority and pursuant to Section 5.56 of the Local Government Act, adopt the Long Term Financial Plan 2018-2028 as presented in Attachment Booklet – March 2019.**

**VOTING DETAILS:**

**CARRIED BY ABSOLUTE MAJORITY 6/0**

**Attachment:**

Attachment 1: Long Term Financial Plan 2018-2028  
Attachment 2: 2018 Management Report  
Attachment 3: 2018 Ratio Commentary Report

**Background:**

Section 5.56 of the Local Government Act 1995 states that it is a mandatory requirement to plan for the future for the district of the Shire of Irwin. This mandatory requirement is further defined in Regulation 19C, 5(a) of the *Local Government (Administration) Regulations 1996* that the local government is to have regard to the capacity of its current resources and the anticipated capacity of its future resources.

The Shire of Irwin Long Term Financial Plan (LTFP) 2018-2028 is a high level informing strategy that outlines the Shire's approach to delivering infrastructure and services to the community in a

financially sustainable and affordable manner. It also demonstrates the Shire’s commitment to managing its operations in a way that avoids unsustainable rate increases for ratepayers. As a summary on the future planning of the Council’s financial operations, the LTFP’s strategic focus is in relation to key components such as rate increases as mentioned, and includes service levels, asset renewal, reserve account movements and loan borrowings. The plan is also designed to indicate long term financial viability and identify issues that may have a long term impact on the Council’s finances.

The LTFP is aligned to other core planning documents by which the Shire is accountable to the community including the Strategic Community Plan and the Corporate Business Plan. Information contained in other strategic plans including the Asset Management Plan and Workforce Plan have been used to inform the LTFP which forms the basis for preparation of the Annual Budgets.

The 2018 Management Report (Attachment 2) stated that the significant adverse trend in the financial position of the Shire had continued and worsened. The adverse trend was evidenced by both the Operating Surplus and Asset Sustainability Ratios falling again for the reporting year, and further below the Department of Local Government, Sport and Cultural Industries’ (DLGSCI) standard.

**Officer’s Comment:**

The primary objective of the 2018-2028 LTFP is to not only correct the significant adverse trends in the financial position of the Shire, but also to create a strong sustainable future. A number of strategic corrective measures have been captured in the LTFP that will see the Shire move into a sustained healthy financial position from 2021/22 onwards that is not driven by rate increases but by improvements in organisational efficiencies, including the necessity of maximising road funding opportunities through the Regional Road Group funding pool.

The LTFP attempts to predict the Council’s future expenditure requirements combining both operational and capital together with increasing service levels, predominantly in rural road construction. Preparation of the plan also requires a number of key assumptions which ultimately provide guidance to subsequent reviews of the Corporate Business Plan (CBP) and Annual Report. The following are the key assumptions of the proposed LTFP:

<b>OPERATING REVENUES</b>	
Rates - Annual Increases	3.5%
Rates - Growth in Rate Base	1.5%
Operating Grants, Subsidies and Contributions	2.5%
Non-operating Grants, Subsidies, Contbns	2.5%
Fees and Charges	2.5%
Service Charges	
Interest Yield	2.5%
Other revenue	2.5%
<b>OPERATING EXPENSES</b>	
Employee Costs	2.0%
Materials and Contracts	2.0%
Utility Charges	2.5%
Depreciation on Non-current Assets (see below)	
Interest Expense (based on estimated borrowings)	5.2%
Insurance Expense	2.5%
Other Expenditure	2.0%
<b>CAPITAL ASSETS</b>	
Average Depreciation - Buildings	2.5%
Average Depreciation - Other	10.0%
Average Depreciation - Infrastructure Roads	6.7%
Average Depreciation - Infrastructure Other	2.5%

For a detailed outline of the LTFP, refer to Attachment 1 - Long Term Financial Plan 2018-2028.

**Stakeholder Engagement:**

Senior staff have been engaged in the development of the draft LTFP which was then presented to Council for review and comment at the Councillor Budget Review and LTFP Workshop held 14 March 2019.

**Financial/Resource Implications:**

The Department of Local Government, Sport and Cultural Industries (DLGSCI) advocate longer term approaches and moving away from the annual budget focus. DLGSCI support Councils budgeting for a minor surplus each year, or by transfers to reserves, to help fund one or more projects in future years.

**Statutory Environment:**

Local Government Act 1995 s5.56:

*Planning for the future*

- (1) *A local government is to plan for the future of the district.*
- (2) *A local government is to ensure that plans made under subsection (1) are in accordance with any regulations made about planning for the future of the district.*

Local Government (Administration) Regulations 1996:

*Division 3 — Planning for the future*

*19C. Strategic community plans, requirements for (Act s. 5.56)*

- (1) *A local government is to ensure that a strategic community plan is made for its district in accordance with this regulation in respect of each financial year after the financial year ending 30 June 2013.*
- (2) *A strategic community plan for a district is to cover the period specified in the plan, which is to be at least 10 financial years.*
- (3) *A strategic community plan for a district is to set out the vision, aspirations and objectives of the community in the district.*
- (4) *A local government is to review the current strategic community plan for its district at least once every 4 years.*
- (5) *In making or reviewing a strategic community plan, a local government is to have regard to —*
  - (a) *the capacity of its current resources and the anticipated capacity of its future resources; and*
  - (b) *strategic performance indicators and the ways of measuring its strategic performance by the application of those indicators; and*
  - (c) *demographic trends.*
- (6) *Subject to subregulation (9), a local government may modify its strategic community plan, including extending the period the plan is made in respect of.*
- (7) *A council is to consider a strategic community plan, or modifications of such a plan, submitted to it and is to determine\* whether or not to adopt the plan or the modifications. \*Absolute majority required.*
- (8) *If a strategic community plan is, or modifications of a strategic community plan are, adopted by the council, the plan or modified plan applies to the district for the period specified in the plan.*
- (9) *A local government is to ensure that the electors and ratepayers of its district are consulted during the development of a strategic community plan and when preparing modifications of a strategic community plan.*
- (10) *A strategic community plan for a district is to contain a description of the involvement of the electors and ratepayers of the district in the development of the plan or the preparation of modifications of the plan.*

**Policy Implications:**

As part of the integrated planning framework, the Strategic Community Plan, Corporate Business Plan and associated informing plans and strategies will guide Council's future decision-making.

**Strategic Implications:**

Strategic Community Plan 2017-2027

Strategy 4.2.1 Ensure compliance whilst embracing innovation and better practice principles

Strategy 4.2.2 Embrace the Integrated Planning and Reporting framework

Strategy 4.2.3 Adopt a risk and asset management approach

## 9.2. COMMITTEE REPORTS

### 9.2.1 SUSTAINABLE ENVIRONMENT COMMITTEE MEETING HELD 13 MARCH 2019

Attachment Booklet – March 2019 – Part 2 (CM): Sustainable Environment Committee Meeting Minutes – 13 March 2019

#### COUNCIL DECISION 070319:

MOVED: Cr Scott

SECONDED: Cr Leonard

That Council receives the Minutes of the Sustainable Environment Committee meeting held 13 March, 2019.

VOTING DETAILS:

CARRIED 6/0

#### 10. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil.

#### 11. QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

Nil.

#### 12. URGENT BUSINESS APPROVED BY PERSON PRESIDING OR BY DECISION

Nil.

#### 13. MATTERS FOR WHICH THE MEETING IS CLOSED TO THE PUBLIC

Nil.

#### 14. CLOSURE

There being no further business, the Presiding Member declared the meeting closed at 6.09pm.

An electronic copy of the Minutes are available for download from the Shire's website <http://www.irwin.wa.gov.au/Agendas-Minutes.aspx>

I certify that this copy of the Minutes is a true and correct record of the meeting held on  
26 March 2019

Signed: .....  
Presiding Elected Member

Date:.....